

May 27, 2014

KANSAS BULLETIN NO. KS300-14-40

SUBJECT: LTP-Environmental Quality Incentives Program-Fiscal Year 2014 National On-Farm Energy Initiative

Action required by: June 20, 2014 (Field Offices [FOs]) Action required by: July 18, 2014 (Area Offices [AOs]) Action required by: June 6, 2014 (State Office [SO])

Purpose. To provide guidance for administering the fiscal year (FY) 2014 Environmental Quality Incentives Program (EQIP) National On-Farm Energy Initiative (NOFEI)

Expiration Date. September 30, 2015

This bulletin replaces bulletin KS300-14-22. Action required by dates, contact information, and the distribution list have been updated.

Background

The Food, Conservation, and Energy Act of 2008, Title II, Subtitle F–EQIP, Section 2501, provides authority for use of EQIP (as a national purpose) to specifically address energy conservation through conservation practice implementation and for development of an Agricultural Energy Management Plan (AgEMP). During FY2014, the program is designed to assist producers in two ways:

- 1) Identify ways to reduce energy use on their farms through an AgEMP conservation activity plan (CAP), also known as an on-farm energy audit.
- 2) Provide assistance to implement various recommended measures through the use of conservation practice (CP) standards offered through this initiative, such as CP 374, Farmstead Energy Improvement.

Only through implementation of recommended measures and CPs will energy conservation, efficiency, and savings be achieved.

(more)

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Eligible Land Uses, Resource Concerns, and CPs

The eligible land uses, resource concerns, and CPs are available in Attachment 1.

The following CAPs are offered as part of the NOFEI.

- AgEMP–Headquarters (122)
- AgEMP–Landscape (124)

Screening Criteria

Attachment 4 contains the NOFEI Screening Criteria Worksheet which shall be completed for each eligible NOFEI application. A screening priority of HIGH, MEDIUM, or LOW must be recorded in Program Contracts System (ProTracts).

To receive HIGH screening priority, the application must include an AgEMP (122 or 124) <u>OR</u> the application includes at least 1 "Core" CP necessary to implement the recommendations identified in a recently (within the last 4 years) completed AgEMP (122 or 124) or comprehensive on-farm energy audit meeting American Society of Agricultural and Biological Engineers (ASABE) S612 Type 2 standard (Attachment 3).

To receive MEDIUM screening priority, the application includes zero "Core" CPs, but does include at least 1 "Supporting" CP necessary to implement the recommendations identified in a recently (within the last 4 years) completed AgEMP Plan (122 or 124) or comprehensive on-farm energy audit meeting ASABE S612 Type 2 standard.

LOW screening priority will be given to all other applications not meeting requirements for HIGH or MEDIUM priority. LOW priority applications will not be ranked.

ProTracts Ranking Tool

The ProTracts fund code for the NOFEI is "FY14 On-Farm Energy."

National ranking questions are consistent for all EQIP applications; however, only questions 1a, 3a, 3b, 3c, 4b, 4c, 8a, 8b, 8c, 9a, 9b, and 9c apply to the NOFEI. <u>All other national questions shall be answered "No</u>." Refer to bulletin KS300-14-16 for additional guidance on answering national questions.

A copy of the state and local ranking questions are provided in Attachment 2.

Applications including a CAP will have significant ranking priority by receiving the total maximum points available in the ranking process. If application is made for a CAP, then question 1 for each of the national, state, and local ranking questions will be answered "Yes," and all remaining national, state, and local ranking questions will be answered "No." The ProTracts application type of "planning" must be associated with each CAP application and ranking of these applications is required in FY2014.

NOTE: CAPs require the use of a Technical Service Provider (TSP) to complete a conservation plan. See electronic Field Office Technical Guide (eFOTG), Section III, CAPs Technical Criteria, for CAP requirements.

An "Energy Benefits" button is available in ProTracts to capture estimated energy savings. This button must be checked "Yes" for all contract items implemented as part of NOFEI and based on the recommendations provided as part of a completed on-farm energy audit. Checking "Yes" requires the user to enter the numeric values for the estimated energy savings and the reduction of greenhouse gases and air pollutants directly associated with the energy savings from the completed on-farm energy audit.

NOTE: The "Energy Benefits" should be checked "No" for AgEMP CAP applications since energy savings do not occur unless the recommended measures provided in an AgEMP CAP report are implemented.

NOTE: An agency approved worksheet has been developed to calculate an energy cost efficiency score for ranking purposes. The Energy Cost Efficiency Worksheet (Attachment 5) uses information from an AgEMP or other ASABE S612 compliant on-farm energy audit to calculate an energy savings to project cost score.

All eligible applications shall be entered into the Conservation Programs Geographic Information System Interface (CPGI). All answers available on the CPGI report will be used to answer the corresponding question on the ProTracts Application Evaluation and Ranking Tool (AERT). The application identification number in CPGI will match the application identification number from ProTracts.

Deadlines

Although applications for EQIP are accepted continuously, there were two FY2014 application evaluation period cutoff dates for NOFEI applications: <u>February 21, 2014</u>, and <u>April 18, 2014</u>. Guidance for the second cutoff period will be in bulletin KS300-14-41.

FOs completed conservation plans and application rankings on May 16, 2014.

AOs completed peer reviews of rankings on May 23, 2014.

The SO Programs Staff will make funding decisions by June 6, 2014.

FOs will have all approved applications and documentation entered in electronic contracts (eContracts) for second level review by <u>June 20, 2014</u>.

Assistant state conservationists for field operations (ASTCs-FO) will ensure that all contracts have been obligated in ProTracts by July 18, 2014.

The regional conservationist shall review and obligate all approved applications of \$150,000 or greater as outlined in Bulletin KS300-14-41. The assistant state conservationists for field operations (ASTCs-FO) shall submit questionnaires to the appropriate program manager as soon as possible to meet program deadlines. Contact: Please forward questions through established channels, to Chad G. Volkman, Resource Conservationist, at chad.volkman@ks.usda.gov or call (785)823-4568.

(Signed)

ERIC B. BANKS
State Conservationist

Attachments